

Social Security in Review

New Acting Commissioner of Social Security

On February 26th, President Clinton named Dr. John J. Callahan as the Acting Commissioner of Social Security, effective March 1st. Dr. Callahan was previously the Assistant Secretary for Management and Budget with the Department of Health and Human Services, and, before that, he was Chief of Staff for Senator Jim Sasser of Tennessee. He also worked on Capitol Hill as deputy staff director for the U.S. Senate Budget Committee and as staff director for the U.S. Senate Governmental Affairs Subcommittee on Intergovernmental Relations. Dr. Callahan received his undergraduate degree from Fordham University, and master's and doctorate degrees from Syracuse University. Dr. Callahan replaces Dr. Shirley Chater, who had served as Commissioner of Social Security from October 7th, 1993, through the end of February.

The 1997 Federal Poverty Guidelines

The Department of Health and Human Services (HHS) published the "Annual Update of the HHS Poverty Guidelines" in the March 10, 1997, *Federal Register*.¹ As required by law, the 1997 update reflects last year's change in the Consumer Price Index for All Urban Consumers (CPI-U). The Federal poverty guidelines are issued by HHS and are used for administrative purposes (for example, to determine whether a person or family is financially eligible for assistance or services under certain Federal programs). The guidelines are a simplified version of the Federal Government's statistical poverty thresholds that the Bureau of the Census uses to prepare its estimates of the number of persons and families in poverty. Both guidelines and thresholds consist of a series of income levels, with different values for families of different sizes, below which the families are classified as poor for administrative or statistical purposes.

Table 1 shows the 1997 poverty guidelines for various family unit sizes. For an unrelated individual living in any of the 48 contiguous States or in the District of Columbia, the amount is \$7,890 (an increase of \$150 from the previous year). In Alaska and Hawaii, the 1997 guidelines for one person are \$9,870 (up \$210) and \$9,070 (up \$160), respectively. Each additional person increases the poverty guidelines by \$2,720 in the contiguous States and the District of Columbia, \$3,400 in Alaska, and \$3,130 in Hawaii. A year earlier, these amounts were \$2,620, \$3,280, and \$3,010, respectively.

The statistical poverty thresholds of the Bureau of the Cen-

sus for a given calendar year are generally not issued in final form until late summer of the following calendar year. Issuing the poverty guidelines during the first few months of the year avoids the need to use 2-year-old poverty thresholds in the first half of the year, when, for example, financial eligibility for assistance or services under certain Federal programs is determined. These guidelines may not become effective for certain programs until a regulation or notice specifically applicable to the program has been issued.

The poverty guidelines are used for both farm and nonfarm family units and for both aged and nonaged family units; the guidelines have never had an aged/nonaged distinction. (Only the statistical poverty thresholds of the Census Bureau have separate figures for aged and nonaged one-person and two-person units.)

Table 1 .-Poverty guidelines for 1997 (annual income)

Size of family unit	Contiguous (48) States and the District of Columbia			Alaska	Hawaii
1		\$7,890		\$9,870	\$9,070
2		10,610		13,270	12,200
3		13,330		16,670	15,330
4		16,050		20,070	18,460
5		18,770		23,470	21,590
6		21,490		26,870	24,720
7		24,210		30,270	27,850
8		26,930		33,670	30,980

¹ For family units with more than eight members, add the following amount for each additional family member: \$2,720 for the contiguous States and the District of Columbia; \$3,400 for Alaska; and \$3,130 for Hawaii. (In each case, the same increment applies to smaller family sizes also, as can be seen in the figures above.)

Note

¹ See *Federal Register*, March 10, 1997, pp. 10856-10859. For a more detailed description of the poverty guidelines and definitions, see Gordon M. Fisher, "Poverty Guidelines for 1992," *Social Security Bulletin*, Vol. 55, No. 1, Spring 1992, pp. 43-46; for a description of the poverty definition underlying the poverty guidelines, see Gordon M. Fisher, "The Development and History of the Poverty Thresholds," *Social Security Bulletin*, Vol. 55, No. 4, Winter 1992, pp. 3-14.

In Memory of Ida Merriam

Dr. Ida C. Merriam, who retired from SSA as Assistant Commissioner in 1972, died April 8th at the age of 92. Her career with Social Security began in 1936 in the Bureau of Research and Statistics, and she held increasingly responsible positions in that component until her retirement. She became head of the Office of Research and Statistics (ORS) in 1956.

It was because of her leadership that research became an integral part of the policymaking process at the Social Security Administration. Under her direction, ORS undertook several landmark surveys, including the first national, sample-based probability surveys of the disabled and of the aged. She was instrumental in providing to Congress and others the research that lead to the Medicare program; after the program was enacted, she designed its ongoing research and statistical framework. During her tenure the original poverty index was developed. One of her major contributions to the *Social Security Bulletin* was the development in the early fifties of the public social welfare expenditures series, a series that is today one of the Nation's most relied on sources of data on public spending. Dr. Merriam was a fellow of the American Statistical Association, and served on the editorial boards of the *Journal of Human Resources* and the *Journal of Social Policy*.